

City of Franklin Addendum No. 1 to

Purchasing Office Solicitation No.: 2018-016

1. Solicitation identified: This Addendum No. 1 applies to the following procurement:
third-party administrator services for workers compensation self-insurance program

Purchasing Office Solicitation No.: 2018-016

2. Notice to Proposers publication date: **March 29, 2018**
3. Solicitation release date: **April 2, 2018**
4. Addendum No. 1 release date: **April 11, 2018**
5. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **April 17, 2018, 2:00 p.m. Central Time**
6. Proposals submittal deadline and scheduled opening: **April 26, 2018, 2:00 p.m. Central Time**
7. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **May 4, 2018**
8. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **May 22, 2018**
9. Addendum:

In reference to the City of Franklin's April 2, 2018 Purchasing Office Solicitation No. **2018-016** for the supply and delivery of **third-party administrator services for workers compensation self-insurance program**, the City has been asked certain questions about the solicitation by one or more vendors who are potential proposers.

The purpose of this Addendum No. 1 is to announce the City's responses to the questions that have been asked to date.

Please note that the submittal deadline and scheduled opening of all proposals received remains unchanged and is:

April 26, 2018, 2:00 p.m. Central Time

Below are the questions asked to date and the City's responses thereto:

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Q1: May companies from outside the USA (such as from India or Canada) compete for this procurement?

A1: No.

Q2: Could the selected service provider ever be required to be on site for meetings?

A2: Yes, the selected service provider could be required to be on site during implementation and during quarterly reviews.

Q3: Would the selected service provider be permitted to perform the required tasks outside the USA (such as from India or Canada)?

A3: No.

Q4: Can we submit the proposals via email?

A4: No.

Q5: What is the City's Federal Employer Identification Number (FEIN)?

A5: 62-6000290.

Q6: Regarding provision 11.4.4.b of the RFP, for medical-only claims, the RFP reads, "For medical only claims, contact with the City and the medical provider within 24 hours of receipt of a claim." Standard claims handling practice allows for fast tracking of minor, compensable medical only claims without making phone calls. Would such a practice be acceptable to the City?

A6: There would still need to be some method of communication, either phone call or email.

Q7: Regarding provision 11.4.4.d of the RFP, the RFP reads, "First aid claims are to be flagged with notice to the City and shall be identified as first aid on all loss run data reports." What types of claims does the City classify as "first aid" and how are they different from a record / "incident only" claim? Please define "first aid claims" for the purpose of this RFP.

A7: For our purposes, incident-only would be no medical treatment in any form whereas first aid would be if the employee or a co-worker applied first aid, such as a bandage.

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Q8.1: Regarding provision 11.4.4.l of the RFP, the RFP reads, “Written status reports shall be provided to the City in cases where the incurred value of the claim increases by \$10,000 or more and any time upon the request of the City.” Please elaborate on these reports and explain what type of information is expected in the report.

A8.1: Written status report would include financial information, such as incurred costs versus incurred claims. The status of claim is also to be included, such as:

- Where is the claim?
- Are we waiting on a doctor?
- Does it have a case manager assigned?
- Does the claim have any information they are waiting on, including notes on adjuster or doctor, etc.?

Q8.2: Still regarding provision 11.4.4.l of the RFP, may the reports be e-mailed?

A8.2: Yes.

Q9: Regarding provision 11.4.4.o of the RFP, the RFP reads, “TPA shall keep the City informed and involved in all accepted cases prior to sending acceptance letters to injured employees.” Does the City expect acceptance letters to go out on medical only claims or only lost time cases?

A9: Acceptance letters shall be issued on all claims reported to TPA, thus allowing the employee to have acknowledgement of injury and a claim number for future reference, if needed.

Q10: Regarding provision 11.4.4.p of the RFP, the RFP reads, “TPA shall provide copies of all correspondence to the City that is sent to injured employees on the same day that the original is sent to the employee.” All correspondence and documents in our claim files would be available for viewing by the City through our Risk Management Information System. Would such an arrangement meet the City’s needs?

A10: Such an arrangement would be acceptable.

Q11.1: Regarding provision 11.4.9.e of the RFP, the RFP reads, “Import prior loss data from 7.1.2012 through 7.1.2018 into a single database.” Generally, data imports or conversions from one TPA’s RMIS to another occur when the new TPA is assuming the handling of the claims from the prior period. It is done one time and the new TPA’s data is added to each claim file as it develops. Would Travelers continue to handle those claims to closure?

A11.1: Travelers would continue to handle to closure claims between 7-1-2012 and 6-30-2018. However, the reason the City requested TPA to import prior loss data was to allow the City to run reports on claims history, even if TPA isn’t handling claim.

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Q11.2: Still regarding provision 11.4.9.e of the RFP, does the City want the data from existing claims to be imported from Travelers' system on a one-time basis or will updates be needed as the open claims develop? If ongoing, how often – annually until all claims are closed?

A11.2: If the City could edit old claims in the TPA's system, then the City could close them out manually and a one-time, initial transfer of data would suffice. If the City could not edit old claims in the TPA's system, then an annual update shall be provided by the TPA until all claims are closed.

Q12: Regarding provision 11.6.A.11 of the RFP, the RFP reads, "Confirm your company is a registered Responsible Reporting Entity (RRE) as respects the Medicare Secondary Payer Act of 2014." If the City becomes a qualified self-insurer, it will have to register with the Centers for Medicare Services as an RRE. Since a TPA is not the entity who is the financially responsible party, it does not register as an RRE. We provide reporting services on behalf of our clients who are RREs. Please clarify the intent of this item in the RFP.

A12: The City will register as the responsible party but the TPA will need to provide all the services relating to the filing of the claims and the administration. Provision 11.6.A.11 of the RFP is hereby revised to read as follows:

Confirm, describe and substantiate how your company is competent, experienced and qualified to provide all the services relating to the filing of the claims and the administration.

Q13: Regarding provision 11.6.B.4.b of the RFP, the RFP reads, "Regarding Nurse Case Management: Describe how your claim adjuster assesses." Please clarify what this item refers to.

A13: Proposers are advised to answer the following questions:

- How does your claims adjuster assess the need for a nurse case manager?
- Does it have to be a lost time case?
- Does it have to meet a certain dollar threshold?
- Is it at the request of the City?

Q14: Regarding provision 11.7 (entitled "Insurance Requirements") of the RFP, for Cyber type of coverage, please define what is meant by "Network and Information Security Expenses."

A14: This coverage should include Forensic IT services, Legal Review services, PR services, payment of Fines and Penalties and PCI Fines and Penalties, Notification Services to Affected Individuals, Extortion and Ransomware expenses.

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10. Acknowledge addendum: Proposers shall acknowledge this addendum on the Proposal Submittal Form in the space to the right of the text on that form that reads, "Acknowledge any and all issued addenda to this solicitation."
11. Questions, requests for clarifications, and requests to revise the procurement solicitation; addenda: To ask questions, to request clarifications about any aspect of this procurement solicitation, or to request revisions to the procurement solicitation prior to the deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of the procurement solicitation, please contact:

City of Franklin Purchasing Office
Franklin City Hall, Suite 107
109 3rd Ave. South
Franklin, TN 37064
purchasing@franklinton.gov
Tel: 615/550-6692
Fax: 615/550-0079

Depending upon the inquiry, the City may request that the question, request for clarification, or request for revision be submitted in writing, whereupon the City may choose to announce the inquiry and the City's response thereto.

12. Communication with City during procurement phase: Any questions about either the content of or the procurement process pertaining to this procurement solicitation should be addressed as described above. Until the procurement award has been made, vendors shall not communicate about either the content of or the procurement process pertaining to this procurement solicitation with any official, employee or other representative of the City except through the City's Purchasing Office. The City reserves the right to disqualify any vendor that initiates unauthorized communication with the City during the procurement phase.